

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 7068

BILL NUMBER: SB 394

NOTE PREPARED: Jan 6, 2006

BILL AMENDED:

SUBJECT: Indianapolis/Marion County consolidation.

FIRST AUTHOR: Sen. Breaux

BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: **GENERAL**
DEDICATED
FEDERAL

IMPACT: Pending

Summary of Legislation: This bill has the following provisions:

Consolidation of Townships: The bill provides, beginning January 1, 2009, that Marion County consists of the central township district (consisting of the area comprising the Indianapolis Public School District) and the consolidated township (consisting of all areas within the county that are outside of the Indianapolis Public School District).

It transfers all assets, property rights, equipment, records, personnel, and contracts concerning the provision of township assistance to the applicable township district on January 1, 2009. It transfers other assets, property rights, equipment, records, personnel, and contracts of a township to the consolidated city on January 1, 2009.

It provides that the indebtedness of a township not connected with the provision of township assistance is assumed or defeased by the consolidated city. It exempts property taxes imposed by the consolidated city for that indebtedness from the ad valorem property tax limits.

It requires township trustees and township boards representing the township districts be elected at the 2008 general election.

It provides for a transitional advisory board to make recommendations regarding reorganization of the townships.

Marion County Consolidations: In Marion County:

- (1) it eliminates the Office of Township Assessor and provides that the City Controller administers the Dog Tax and Dog Fund and the County Assessor assumes other township assessor duties and responsibilities;
- (2) it reduces the term of office for a township assessor and a township trustee elected in the 2006 general election from four years to two years;
- (3) it adjusts the membership of the County Property Tax Assessment Board of Appeals; and
- (4) it provides that ordinances and resolutions concerning budgets and appropriations for judicial officers and certain county officers are subject to veto (current law exempts those ordinances and resolutions from veto).

Small Claims Court: It replaces the Marion County Small Claims Court with corresponding township divisions of a Small Claims Division of the Marion Superior Court.

Airport Authority Law Enforcement Consolidation: It permits the consolidated city to adopt an ordinance to merge the Airport Authority's Law Enforcement Services into the consolidated law enforcement department of the consolidated city (current law requires the Airport Authority to adopt a substantially similar ordinance).

Fire Department Consolidation: It provides that, on January 1, 2007, the township fire departments, fire protection territories, and the Airport Authority Fire Department are consolidated into the fire department of the consolidated city. It provides that the employees of the fire departments being consolidated become employees of the consolidated fire department. It provides that the property, equipment, records, rights, contracts (including labor contracts), and indebtedness related to fire protection services of the fire departments being consolidated are transferred to or assumed by the consolidated city. It establishes the process by which the fire department of an excluded city may be consolidated into the fire department of a consolidated city. It provides that the consolidated fire department shall provide emergency ambulance services in the county.

Ad Valorem Tax for Fire Departments and Districts: It exempts from the ad valorem property tax limits amounts imposed by a consolidated city to fund indebtedness assumed, defeased, paid, or refunded in connection with the consolidation of certain fire departments into the fire department of a consolidated city. It establishes the annual maximum increase in the permissible ad valorem property tax levy for a consolidated city related to the fire special service district. It adjusts the maximum ad valorem property tax levy of a consolidated city for 2007 to account for the consolidation of certain fire departments into the fire department of the consolidated city.

Pension for Fire Department Consolidation: It authorizes the fire special services district to levy a tax to pay the amounts required to satisfy the 1937 firefighters' pension fund obligations. It provides that a firefighter who is a member of the 1937 or 1977 fund remains a member of the same fund after the consolidation. It provides that a firefighter whose services for an entity are consolidated into the metropolitan law enforcement agency or the fire department of a consolidated city becomes a member of the 1977 fund.

Issuance of Debt: It authorizes a consolidated city to issue obligations to refund obligations issued by the fire departments being consolidated into the fire department of the consolidated city.

Conformance: It makes conforming changes.

Legislative Findings: It makes legislative findings concerning the need for government consolidation in Marion County.

Repeal: It repeals:

- (1) certain provisions concerning township board districts in Marion County; and
- (2) provisions concerning small claims courts that are replaced by this bill.

Effective Date: Upon passage; July 1, 2006; January 1, 2007; January 1, 2008; January 1, 2009.

Explanation of State Expenditures: *As of the above date, the fiscal analysis of this bill has not been completed. Please contact the Office of Fiscal and Management Analysis for an update of this fiscal impact statement.*

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected:

Information Sources:

Fiscal Analyst: Valerie Ruda, 317-232-9867; Bob Sigalow, 317-232-9859.